



## APPENDIX B

**SECTION 3 OF THE HUD ACT OF 1968  
(APPLICABLE TO MIAMI-DADE HOUSING AGENCY ONLY)**

**GENERAL REQUIREMENTS**

This contract is subject to the requirements of Section 3 of the Housing and Urban Development Act of 1968 and the implementing regulations in 24 Code of Federal Regulations (CFR) Part 135, as amended by interim rule published on June 30, 1994 (59 FR 33866). (Bidders interested in receiving copy of this regulation may fax their request to Miami-Dade Housing Agency (MDHA) Office of Compliance at (305) 643-1773. Section 3 requires that, to the greatest extent feasible and consistent with Federal, State and local laws and regulations, job training, employment, and contracting opportunities be directed to low and very-low income persons. Contractors must familiarize themselves with Section 3 regulations and requirements.

This contract is also subject to federal affirmative action plan requirements, which require the contractor to take all necessary affirmative action steps to ensure small, minority and women-owned business enterprises are used only, if subcontracting is applicable to this contract.

See Appendix B for additional information and for required bid documents.

**APPENDIX B**

**I. SECTION 3 DEFINITIONS**

The term "Section 3 business" is defined as follows:

Firms owned by Miami-Dade County (M-DC) residents who meet M-DC's low income household limits (see "Miami-Dade 2008 Income Limits"), or whose firms include 30% of these persons as full-time employees.

The term "new hires" is defined as follows:

New hires means full-time employees for permanent, temporary or seasonal employment opportunities and include, but are not necessarily limited to, all management, maintenance, clerical and administrative jobs arising in connection with the development(s) stipulated in the contract award.

The term "Section 3 Resident" is defined as follows:

A **Section 3 Resident** is an individual who lives in Miami-Dade County and (a) is a resident of public housing; **or** (b) is a resident of another federally assisted housing program (Section 8, Section 202, etc.); **or** is a current recipient or participant in a public assistance program (TANF, JTPA, etc.); **or** (c) whose family household income meets the definition of a low-or very-low income family (see no. 5, below).

The current Miami-Dade Income Limits are as follows:

**MIAMI-DADE 2008 INCOME LIMITS**

	1 Person	2 Person	3 Person	4 Person	5 Person	6 Person	7 Person	8 Person
Very Low Income (50%)	\$21,100	\$24,100	\$27,150	\$30,150	\$32,550	\$34,950	\$37,400	\$39,800
Low Income (80%)	\$33,800	\$38,600	\$43,450	\$48,250	\$52,100	\$55,950	\$59,850	\$63,700

## II. SECTION 3 BID PREFERENCE TERMS AND REQUIREMENTS

Preference in the award of this contract will be provided as follows:

1. Bids are being solicited from all businesses. If no responsive bid by a MDHA pre-certified Section 3 business meets the "X" factor, as defined below, the contract may be awarded to the lowest responsive, responsible bidder.
2. Where applicable, an award will be made to the lowest responsive, responsible pre-certified Section 3 business, with the highest priority ranking, as stipulated under No. 6, "Section 3 Business Priority Rankings", if that bid: is within the maximum total contract price established in MDHA's budget, and is not more than "X" higher than the total bid price of the lowest responsive bid from any responsible bidder. "X" is determined as follows:

Bid Amount	X = Lesser of:
When the lowest responsive bid is less than \$100,000	10% of that bid, up to <b>\$9,000</b>
When the lowest responsive bid is between:	
\$100,000, but less than \$200,000	9% of that bid, up to <b>\$16,000</b>
\$200,000, but less than \$300,000	8% of that bid, up to <b>\$21,000</b>
\$300,000, but less than \$400,000	7% of that bid, up to <b>\$24,000</b>
\$400,000, but less than \$500,000	6% of that bid, up to <b>\$25,000</b>
\$500,000, but less than \$1 million	5% of that bid, up to <b>\$40,000</b>

3. For information on how to become a MDHA-certified Section 3 business, fax, MDHA Office of Compliance, at **(305) 643-1773**.
4. **In order for bidder to qualify for a Section 3 contracting preference**, bidder must be pre-certified by MDHA as a Section 3 business, at least two weeks prior to the bid opening date, and submit **Document 00200-B, "Section 3 Business Preference Claim"** (Attachment 2) with its bid.
5. Section 3 businesses are required to comply with procedures listed under Section III "Section 3 Required Documents to Be Submitted with Each MDHA Bid (When Subcontracting Is Not Applicable)", and Section V "Section 3 Required Contractor and Subcontractor Post-Award Procedures (MDHA Projects Only)".
6. **SECTION 3 BUSINESS PRIORITY RANKINGS:** (The highest priority ranking (PR) is #1.)
  - PR#1:** 51% or more owned by MDHA public housing residents, or whose full-time, permanent work force includes 30 percent of these persons as employees (**Category 1 Businesses**);
  - PR#2:** Business owners who are or were participants (within last three years) in HUD Youth build programs currently operating in Miami-Dade County. For more information, contact David Tate, YWCA of Greater Miami, Inc., at (305) 377-9922, or Fax (305) 373-9922 (**Category 2 Businesses**);
  - PR#3:** 51% or more owned by residents of a federally assisted housing program, such as Section 8, Section 202, HOME, etc., or whose full-time, permanent work force includes no less than 30 percent of those persons as employees (**Category 3 Businesses**);
  - PR#4:** a) 51 percent or more owned by low or very low-income persons who reside in Miami-Dade County; or whose permanent, full-time work force includes no less than 30 percent of low-income Miami-Dade County persons as employees, including persons that are not currently low or very low-income persons but were low or very-low-income persons, as long as the date of first employment with the business

concern has not exceeded a period of three years (see Section II. no. 4", for current Miami-Dade low and very-low income limits); or

- b) Provide evidence of a commitment to subcontract in excess of 25 percent of the total amount of subcontracts to be awarded to business concerns identified under Priority # 1 (category 1 businesses only (PR#4 a and b above are **Category 4 Businesses**).

**III. SECTION 3 REQUIRED DOCUMENTS TO BE SUBMITTED WITH EACH MDHA BID (WHEN SUBCONTRACTING IS NOT APPLICABLE)**

This contract is a Section 3 covered activity (Miami-Dade Housing Agency (MDHA) only). Section 3 requires that job training, employment and contracting opportunities be directed toward low and very-low income persons and to businesses that provide economic opportunities to those persons.

**All bidders are required to execute and submit Document 00400, "Section 3 Economic Opportunity and Affirmative Marketing Plan (Plan)", with the bid (see Attachment 1).** An executed Plan document is the bidder's certification that he or she will take all necessary affirmative marketing steps required, in connection with MDHA project award, to (a) meet Section 3 training and employment goals, where feasible, when filling vacant or new positions resulting from MDHA awards, and also seek to recruit qualified minorities and women to fill vacant or new positions resulting from MDHA awards and b) meet Section 3 subcontract goals and ensure small minority and women subcontractors are used (where applicable is permitted).

**IV. SECTION 3 OPTIONAL DOCUMENT (TO BE SUBMITTED WITH BID)**

Bidders who wish to claim a Section 3 bid preference, are required to submit *Document 00200-B, "Section 3 Business Preference Claim"* (Attachment 2), with the bid (see Section II., Section 3 Bid Preference Terms and Requirements). Only bidders who have been pre-certified by MDHA as a Section 3 business shall be eligible to claim a Section 3 business preference.

**V. SECTION 3 POST-AWARD PROCEDURES (MDHA PROJECTS ONLY)**

1. The contractor must submit required MDHA post-award forms (presented at a MDHA post-award meeting), during the performance of the contract in the frequency and format requested by MDHA.
2. Contractor will be required to submit documentation to MDHA of efforts and results made to train and employ Section 3 residents (resulting from MDHA awards only) in accordance with his or her Plan during the performance of the contract in the format and frequency required by MDHA.
3. Contractor, including any Section 3, small, minority or women-owned business concern awarded work through this MDHA project, must commit to train and employ qualified Section 3 residents (only where vacant or new positions exist in connection with this award) to the greatest extent feasible, not less than **30% of the total number of new hires, but no less than one, whichever is greater**, within their labor force during the term of the contract, in the priority order indicated under Section VI, "Section 3 Resident Priority Order for Training and Employment Opportunities".
4. Contractor is also required to undertake efforts to hire public housing, Section 8 and other Section 3 residents (only where vacant or new positions exist in connection with this award), in part-time positions, for permanent, temporary, or seasonal employment.
5. In addition to nos. 1 and 2 above, contractors must solicit to all minorities and women when filling vacant or new full-time or part-time positions generated through MDHA projects.

6. Contractor must explain to all job applicants how to claim a Section 3 preference (using MDHA forms provided at each pre-construction meeting) and show them the Miami-Dade income chart, included under Section II.
7. When there is a need for new hires, contractor must include Section 3 preference language in job news ads, flyers, and community notice. Notices must be placed at the site where work is to take place and in the surrounding community.
8. When there is a need for new hires resulting from MDHA awards, contractor must carry out recruitment in accordance with the training and employment recruitment requirements listed in Contractor's Plan (see Document 00400, Attachment 1).

**VI. SECTION 3 RESIDENT PRIORITY ORDER FOR TRAINING AND EMPLOYMENT OPPORTUNITIES**

1. MDHA public housing residents (Category 1 residents);
2. Participants in HUD Youth build programs currently operating in Miami-Dade County. For more information, contact David Tate, YWCA of Greater Miami, Inc. at (305) 377-9922, or Fax (305) 373-9922 (Category 2 residents);
3. Recipients of federal government housing assistance programs, such as Section 8, Section 202, HOME, etc., or who are participants in a federally funded job training program, such as J.T.P.A., etc. (Category 3 residents); or
4. Other individuals who reside in Miami-Dade County, and meet the definition of a low, or very low-income person, as defined, in the current Miami-Dade Income limits (Category 4 residents).

**VIII. WELFARE-TO-WORK TAX INCENTIVE AND WORK OPPORTUNITY TAX CREDIT PROGRAM**

**For information and application assistance, contact Delphine Brown, Center Director of Business Service Center, South Florida Workforce, at 305-693-2060, ext. 5206 or Bureau of Operations, 1320 Executive Center Drive, Tallahassee, FL 32399-0667.**

**IX. SECTION 3 CLAUSE**

The Section 3 Clause, also found at Section 3 regulation, 24 CFR Part 135, p.135.38, must be included in all Section 3 covered contracts. The contractor and subcontractors (where applicable) will be bound by its provisions and the Clause and must be included in all subcontractor agreements.

- a. The work to be performed under this contract is subject to the requirements of Section 3 of the Housing and Urban Development Act of 1968, as amended, 12 U.S.C. 1701u (Section 3). The purpose of Section 3 is to ensure that the employment and other economic opportunities generated by HUD assistance of HUD-assisted projects covered by Section 3, shall, to the greatest extent feasible, be directed to low and very low income persons, particularly persons who are recipients of HUD assistance for housing.
- b. The parties to this contract agree to comply with HUD's regulations in 24 CFR Part 135, which implement Section 3. As evidenced by their execution of this contract, the parties to this contract certify that they are under no contractual or other impediment that would prevent them from complying with the Part 135 regulations.
- c. The contractor agrees to send to each labor organization or representative of workers with which the contractor has a collective bargaining agreement or other understanding, if any, a notice advising the labor organization or worker's representative of the contractor's

commitments under this Section 3 clause, and will post copies of the notice in conspicuous places at the work site where both employees and applicants for training and employment positions can see the notice. The notice shall describe the Section 3 preference, shall set forth minimum number and job titles subject to hire, availability of apprenticeship and training positions, the qualifications for each; and the name and location of the person(s) taking applications for each of the positions; and the anticipated date the work shall begin.

- d. The contractor agrees to include this Section 3 clause in every subcontract subject to be in compliance with regulations in 24 CFR Part 135, and agrees to take appropriate action, as provided in an applicable provision of the subcontract or in this Section 3 clause, upon a finding that the subcontractor is in violation of the regulations in 24 CFR Part 135. The contractor will not subcontract with any subcontractor where the contractor has notice or knowledge that the subcontractor has been found in violation of the regulations in 24 CFR Part 135.
- e. The contractor will certify that any vacant employment positions, including training positions, that are filled (1) after the contractor is selected but before the contract is executed; and (2) with persons other than those to whom the regulations of 24 CFR Part 135 require employment opportunities to be directed, were not filled to circumvent the contractor's obligations under 24 CFR part 135.
- f. Noncompliance with HUD's regulations in 24 CFR Part 135 may result in sanctions, termination of this contract for default, and debarment or suspension from future HUD assisted contracts.
- g. With respect to work performed in connection with Section 3 covered Indian housing assistance, Section 7(b) of the Indian Self-Determination and Education Assistance Act (25 U.S.C. 450e) also applies to the work to be performed under this contract. Section 7(b) requires that to the greatest extent feasible (i) preference and opportunities for training and employment shall be given to Indians, and (ii) preference in the award of contracts and subcontracts shall be given to Indian organizations and Indian-owned Economic Enterprises Parties to this contract that are subject to the provisions of Section 3 and Section 7(b) agree to comply with Section 3 to the maximum extent feasible, but not in derogation of compliance with Section 7(b).

DOCUMENT REQUIRED WITH BID**DOCUMENT 00400**

Page 1 of 2  
ATTACHMENT 1

**Section 3 Economic Opportunity and Affirmative Marketing Plan (Plan)**

Firm Name: \_\_\_\_\_ Contact Name: \_\_\_\_\_

The individual above, (consultant), is responsible for planning, implementing and tracking firm's Section 3 (S-3) and affirmative marketing training, employment and contracting goals applicable to Miami-Dade Housing Agency (MDHA) projects and must comply with United States Housing and Urban Development's (USHUD) S-3 regulation at 24 CFR Part 135 (fax MDHA (305) 643-1773 to obtain a copy).

**Recruitment Procedures Required to Fill Vacant or New Contractor or Consultant or Subcontractor Positions (only if subcontracting is permitted) Resulting from all MDHA Project Awards**

1. Fax (305) 644-5113, MDHA Resident & Economic Development, for employment referrals from public housing, Section 8 and other housing program recipients, and low-income persons, minorities and women.
2. Advertise at job site and surrounding neighborhood for targeted workers (see #1 above) and use *Document 00404*, "**Section 3 Language for News Ads, Flyers and Job Notices**" in all job notices & flyers.
3. Schedule a time and place convenient for public housing, other S-3 residents (listed under no. 1 above), minorities and women to complete job applications.
4. Contact David Tate, YWCA of Greater Miami, Inc. at (305) 377-9922, or fax (305) 373-9922, for HUD Youth build employment referrals.
5. Send notices about S-3 training and employment obligations and opportunities required for Miami-Dade Housing Agency projects to labor organizations, where applicable (review **Section 3 Clause**).
6. Present *Document 00401*, "**Section 3 Resident Preference Claim Form**" to all job applicants, explaining S-3 residents will receive preference in the recruitment process, if they meet minimum job eligibility criteria.
7. Ensure applicants that claim a S-3 preference provide proof as described in *Document 00401*, or complete *Document 00402*, "**Section 3 Resident or Employee Household Income Certification Form**" (Public housing residents must receive the highest preference points during the interview/selection process.)
8. Consultant and sub consultants are required to: (a) establish files to document all recruitment efforts and results when filling vacancies or new positions in connection with MDHA projects; (b) use *Document 00403*, "**Training & Employment Outreach Documentation**" form to document agency referral responses, and (c) produce evidence of recruitment efforts to MDHA as requested.
9. Consultant is responsible for collection of sub consultant(s) training and employment documentation outreach efforts (described under no. 8), new hire reports (required) and weekly employment forms (only when sub consultant(s) hire workers for vacant or new positions in connection with MDHA awards).

Forms described above, under nos. 2 and 6-8, are post-award forms, applicable to successful MDHA bidder only, and will be distributed at each pre-construction meeting (fax MDHA (305) 643-1773 to obtain copies).

Contractor's Recruitment of Section 3, Small, Minority and Women-Owned Businesses (Solicitation Requirements Applicable only on Projects which permit Subcontracting)

Consultant will follow Plan's affirmative marketing steps for each MDHA award, when he or she subcontracts work, to award a minimum goal of 10% of the overall award amount to S-3 businesses, where feasible, and ensure small, minority and women-owned businesses are used (definitions of a S-3 business and a small, minority and/or women-owned business may overlap, permitting S-3 and affirmative marketing goals in these awards to be simultaneously met). Consultants who subcontract work are required to provide MDHA with a written explanation if the S-3 minimum subcontracting goal is not met.

Consultant shall demonstrate compliance in solicitation to the business categories, listed above, by following the steps described on page two of this Plan and providing evidence to MDHA when requested.



DOCUMENT REQUIRED WITH BID**DOCUMENT 00400****Page 2 of 2  
ATTACHMENT 1**

1. Refer any interested sub consultants that may meet the criteria to become a certified S-3 business to *MDHA Office of Compliance* (Compliance) for S-3 business application assistance.
2. Fax (305)-643-1773, *Compliance*, for current MDHA S-3 business lists and solicit to firms on these lists.
3. Contact *Department of Business Development* (DBD), (305) 349-5965 or fax (305) 349-5915 to obtain lists of small, minority and/or women-owned businesses. Solicitations and awards must be made, where feasible, to various minority-owned firms, including minorities other than firm's own minority, and to women firms.
4. Advertise for S-3 sub consultants/subcontractors (subs) in construction trade journals, such as "The Dodge Reports", and post notices and distributes flyers at work site and surrounding neighborhood. The purpose of such advertisements is to make prospective subs aware of the Section 3 preference requirements applicable to MDHA project awards.
5. Fax, send or deliver "***Sub consultant Solicitation to Section 3, Small, Minority and Women Businesses***" form, to all prospective sub consultant firms solicited for each MDHA award.
6. Allow each sub consultant *a minimum of five business days* to respond to consultant's solicitation request. Include all "***Letters of Intent***" forms received from S-3, small, and minority, and women-owned sub consultants. Request sub consultants not interested or unavailable to bid to provide consultant with "***Certificate of Unavailability***" form.
7. Use the "***Outreach Documentation Form***" to document recruitment and follow-up with sub consultants. Make a second attempt to solicit to any S-3 firms who did not respond to the first solicitation attempt, using a variety of communication methods, i.e. facsimile, telephone, pager, e-mail, etc.
8. Consultants are required to negotiate with S-3 businesses, first and small, minority and women-owned businesses; second, if the sub consultant's bid amount would make the project infeasible.
9. Submit the following evidence to MDHA when requested (described under nos. 3-8 above and under "Contractors Recruitment of S-3, Small, Minority and Women businesses", page one, para. one). Other post-award required submittals include Document 00430, "***List of Subcontractors/Sub consultants***", and, from consultant and its sub consultants or subcontractors, Documents 00450, 00452 and 00453, "***Estimated Workforce Breakdown***", "***Employee List***" and "***Consultant/Sub consultant Certification***".
10. For each MDHA project award, retain documentation of outreach efforts and responses received from any organizations and sub consultants contacted for three years after project is completed.

Forms described above, under nos. 5-9, are post-award forms, applicable only if successful bidder will be subcontracting (where subcontracting is permitted) (fax MDHA (305) 643-1773 to obtain copies).

**Sign and Print** Firm Official's Name and Title

\_\_\_\_\_

Submission Date \_\_\_\_\_

\_\_\_\_\_

Firm Name/Address

Firm Telephone and Fax Numbers: \_\_\_\_\_

**DOCUMENT REQUIRED WITH BID**

**DOCUMENT 00200-B**

**ATTACHMENT 2**

**SECTION 3 BUSINESS PREFERENCE CLAIM FORM**

**OPTIONAL DOCUMENT (ONLY APPLICABLE TO BIDDERS PRE-CERTIFIED  
BY MDHA AS A SECTION 3 BUSINESS WHO ARE CLAIMING A PREFERENCE)**

\_\_\_\_\_ (Initial) \_\_\_\_\_ (Firm Name) was certified by MDHA as a Section 3  
Business on \_\_\_\_\_ (Date). Said firm is claiming a preference for the bid, identified  
below.

\_\_\_\_\_ (Initial) Said firm certifies, below, with the firm president's signature, that the full-  
time employee composition, and the ratio of Section 3 full-time employees to non-  
Section 3 employees continues to be at least 30% or higher.

\_\_\_\_\_ (Initial) Said firm has attached to this form a list of any new full-time or part time  
employees who were not employed by said firm when firm received its Section 3  
Business Certification from MDHA.

\_\_\_\_\_ (Initial) Where applicable, said firm shall attach Forms C and D (from the Section 3  
Business Application) or other applicable documentation to demonstrate whether any  
new employees who have been hired are Section 3 individuals.

**BID NUMBER:** \_\_\_\_\_

**BID NAME:** \_\_\_\_\_

**FIRM NAME** (Please print or type): \_\_\_\_\_

**PRESIDENT'S NAME** (Please print or type): \_\_\_\_\_

**PRESIDENT'S SIGNATURE:** \_\_\_\_\_

**PHONE AND FAX NUMBERS:** \_\_\_\_\_

**DATE:** \_\_\_\_\_